Special programme to improve banking network in Jharkhand

2647. SHRI PARIMAL NATHWANI: Will the Minister of FINANCE be pleased to state:

(a) whether Government is planning a special programme to improve the poor banking network in Jharkhand which is the reason for its backwardness;

(b) whether Government has carried out a study to find reasons for lowest per capita bank credit in Jharkhand, which is reason for its backwardness and whether any special programme is planned for improving the situation; and

(c) what steps Government is contemplating for improving the Credit Deposit Ratio (CDR) in Jharkhand which is much below national average?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA): (a) and (b) The Reserve Bank of India (RBI) had constituted a Working Group for improvement of banking services in Jharkhand which has since given wide-ranging recommendations including measures for enhancing outreach/ penetration of the banking system in the State. The Working Group has identified small and fragmented land holding structure and lack of infrastructural facility including roads and marketing opportunities as some of the important constraints hampering credit flow in the State. Action has already been initiated on major recommendations of the Working Group to improve the financial network in the State.

(c) The Government has been monitoring and reviewing the progress of credit flow in the State through the State Level Banker's Committee. In addition, banks have been advised to set up a Special Sub Committee of DLCC for those districts having Credit Deposit Ratio (CDR) less than 40% in order to draw up monitorable action plan for improving CDR.

Duty refunds to merchant exporters

2648. SHRI MOHD. ALI KHAN: Will the Minister of FINANCE be pleased to state:

(a) whether Government is extending the full rate of duty refunds including excise to merchant exporters who purchase goods from the local markets for overseas shipments;

(b) if so, the details thereof;

(c) the decision of the Drawback Committee in this regard; and

(d) the revenue being generated by such decision?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) Yes, Sir.

(b) The Government is extending full rate of duty drawback (including the excise portion) to those merchant exporters who purchase their goods from the local markets for overseas shipments. A Circular No. 16/2009-Customs dated 25.05.2009 to this effect has been issued.

(c) The Drawback Committee, constituted by the Government to formulate All Industry Rate of Duty Drawback for the year 2008-2009 had, in its report, recommended that merchant exporters who purchase their goods from the local, markets may be granted full rate of duty drawback including the excise portion.